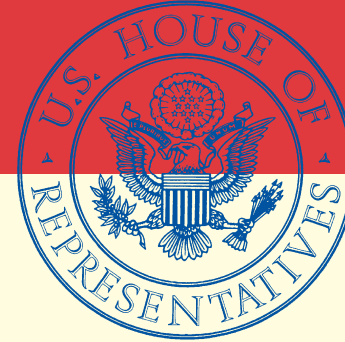




Nita M. Lowey

Congresswoman Nita Lowey



Special Report on Medicare's New Drug Plan



December 2005

Dear Friends,

As you know, Medicare will begin offering prescription drug coverage through new private plans and Medicare HMO's on January 1, 2006.



**Congresswoman
Nita Lowey discusses the
new Medicare prescription
drug plan with local
seniors.**

I opposed the law that created Medicare Part D because, in my judgment, it will fail to bring down high prescription drug costs and limit options. Furthermore, it's complex and confusing. Congress missed a golden opportunity to provide seniors with a guaranteed, affordable drug benefit through Medicare.

However, now that the new plan is being enacted, I want to ensure that you have all the information you need to make an informed decision about whether to join and, if you decide to join, which plan best meets your needs.

This special report includes some facts, important dates, and contact information to help you make the decisions you are facing in the coming months. I hope it is helpful.

It is an honor to serve you in the U.S. Congress. Please know that I will continue fighting to bring down the soaring cost of prescription drugs.

Sincerely,

Nita

Nita M. Lowey



**Hudson Valley seniors share
their concerns about the high costs
of prescription drugs with
Congresswoman Nita Lowey.**

Important Dates to Remember

October 2005:

You can begin to collect comparative information about Medicare prescription drug plans via the Medicare Prescription Drug Plan Finder available on www.medicare.gov, or through the EPIC program offices and other local organizations listed on the previous page.

The Medicare and You 2006 Handbook containing all the necessary information is mailed to all Medicare beneficiaries.

Medicare Advantage plans notify plan enrollees about enhanced drug plan coverage options via "Notification of Change."

Low-income individuals enrolled in BOTH Medicare and Medicaid, or "dual eligibles," will receive information about how they will be automatically enrolled in a plan if they do not choose one on their own.

November 2005:

Initial enrollment for Medicare prescription drug plans begins November 15. Individuals must call the company offering the plan to enroll, or enroll by calling 1-800-MEDICARE.

Individuals with coverage through former employers or unions should receive information from those plans regarding any changes in coverage.

December 2005:

You must enroll in Medicare Part D to get coverage beginning January 1, 2006.

January 2006:

Medicare Part D drug benefits begin on January 1, 2006.

May 2006:

On May 15, 2006, the initial enrollment period for Medicare drug benefit ends.

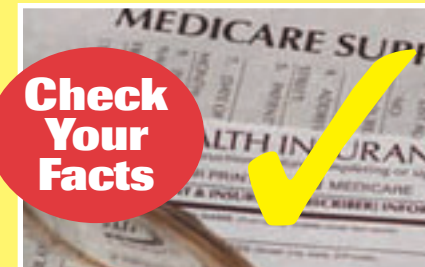
If you enroll after May 15, 2006, you may be subject to a late enrollment penalty which will increase your monthly premium.

Medicare-approved drug discount cards are no longer in effect.

**Take
Your
Time**



**Check
Your
Facts**



**Know Your
Options**



HELPING YOU MAKE THE RIGHT CHOICES

✓ **Take Your Time**

Enrollment began on November 15, 2005, and will continue until May 15, 2006, with no penalty.

However, if you choose to wait until after May 15th, you could be forced to pay a premium increase of 1% per month for every month after May 15th that you are not enrolled.

✓ **Check Your Facts**

Find out everything you can about how your current coverage will change before you decide whether to join the new Medicare program. Medicare can provide a list of drug plans to help you evaluate your options. Here is some helpful information and guidance for this process.

Will your current retiree plans change?

You should have received a letter from your current insurance provider or former employer by November 15. If you have not, call to find out whether your plan will change.

Here are several questions you should ask:

- ▲ Does your former employer or union coverage expect you to join a Medicare drug plan in addition to your current coverage?
- ▲ If you join a Medicare drug plan, will your retiree prescription drug and health coverage change?
- ▲ Will you have to pay a penalty if you wait until after May 15, 2006, to join a Medicare drug plan? Your current plan should be able to tell you whether it is "creditable," meaning it provides coverage as good as or better than Medicare Part D. Individuals with creditable coverage who enroll in Medicare Part D after May 15, 2006, will not be penalized with increased premiums.

- ▲ Can you rejoin your employer or union health coverage later if you decide to join a Medicare plan?

If your current plan is changing, compare it to plans available under Medicare.

Will Medicaid drug benefits still be available?

No. Medicaid prescription drug coverage will end on December 31, 2005. Medicare-based coverage will begin on January 1, 2006, for individuals who currently receive prescription drug coverage through Medicaid.

Are You Eligible for Extra Low-Income Assistance?

Eligibility for extra help can be determined by the Social Security Administration.

- ▲ Generally, if your income is below \$14,355 for a single person or \$19,245 if you are married and living with your spouse, you may qualify for extra help. Slightly higher income levels may apply if you provide support to other family members living with you.
- ▲ If your assets, including your savings and stocks but not your home or car, are under \$11,500 for a single person or under \$23,000 for a married couple, you may qualify for such help.

Will Medicare Managed Care plans continue?

Seniors with Medicare Managed Care plans will have several options:

- ▲ If your current Managed Care plan also provides a prescription drug plan under Medicare Part D, you can enroll in it for drug coverage.
- ▲ You can enroll in a different Managed Care plan for health and prescription drug benefits.
- ▲ You can enroll in traditional Medicare for health benefits and a new Medicare prescription drug plan.

Can you keep EPIC, New York's Elderly Pharmaceutical Insurance Coverage, and sign up for Medicare Part D?

Yes. However, you should carefully compare how EPIC and new Medicare plans would meet your individual drug needs in order to determine whether both are necessary for you.



✓ **Know Your Options**

After evaluating your current coverage, if you decide to join a new Medicare prescription drug benefit, you'll need to compare all your options.

Have the following information on hand to review the various plans or when you call for help to compare the plans:

- ▲ Your Medicare card identification number
- ▲ List of drugs you currently take including dosage, cost, and refill schedule
- ▲ The total you spend on prescription drugs each month
- ▲ Your preferred method to get your drugs – i.e. via mail order or at a drug store
- ▲ Your annual income and a basic accounting of your assets to determine whether you are eligible for low-income assistance
- ▲ The lists of preferred drugs, or formulary, for the drug plans you're considering

Organizations That Can Help

Medicare

800-633-4227
TTY 877-486-2408
www.medicare.gov

Social Security Administration

800-772-1213
www.ssa.gov

EPIC Program

800-332-3742

Health Insurance Information Counseling and Assistance Program Hot Line

800-333-4114

Westchester County Department of Senior Programs and Services

914-813-6400

Rockland County Office for the Aging

845-364-2110

Contact Congresswoman Lowey

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ON THE WEB

www.house.gov/lowey/contact.htm